

**HUMAN SERVICES DEPARTMENT[441]**

**Notice of Intended Action**

**Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”**

**Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.**

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services proposes to amend Chapter 79, “Other Policies Relating to Providers of Medical and Remedial Care,” and Chapter 85, “Services in Psychiatric Institutions,” Iowa Administrative Code.

These proposed amendments continue the rate reductions instituted in December 2009 pursuant to Executive Order 19 for state fiscal year 2011. Rule 441—79.16(249A), which implemented the temporary reimbursement decreases, is rescinded. The reimbursement rules for particular providers are amended to make the same reductions. Reimbursement rules for psychiatric medical institutions for children (PMICs) are revised to continue the interim payment system for another year.

Hospital reimbursement rules are revised to:

- Correct dates and status indicators related to the diagnosis-related group (DRG) and ambulatory payment classification (APC) reimbursement methodologies for inpatient services and outpatient services, respectively.
- Eliminate enhanced disproportionate share hospital (DSH) payments and enhanced graduate medical education (GME) payments.
- Replace the enhanced payments with the Iowa non-state-government-owned acute care teaching hospital DSH payments.
- Establish an Iowa state-owned teaching hospital disproportionate share fund from which payments shall be made monthly to qualifying hospitals.

The requirement that payments to public hospitals and nursing facilities not exceed their actual costs is eliminated as unnecessary in light of the repeal of the state statutory provision limiting payments to public hospitals and nursing facilities to their costs (2010 Iowa Acts, Senate File 2156, section 16).

Some language has been revised to clarify current policy. Obsolete dates are updated. References to the mental retardation waiver are updated to “intellectual disabilities waiver.”

These amendments do not provide for waivers in specified situations. Requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217).

These amendments were also Adopted and Filed Emergency and are published herein as **ARC 8899B**. The purpose of this Notice is to solicit comment on that submission, the subject matter of which is incorporated by reference.

Any interested person may make written comments on the proposed amendments on or before July 20, 2010. Comments should be directed to Mary Ellen Imlau, Bureau of Policy Coordination, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 503190114. Comments may be sent by fax to (515)281-4980 or by E-mail to [policyanalysis@dhs.state.ia.us](mailto:policyanalysis@dhs.state.ia.us).

These amendments are intended to implement Iowa Code section 249A.4 and 2010 Iowa Acts, House File 2526, section 33, and 2010 Iowa Acts, Senate File 2156, section 16.